



Department of Justice

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LOUISVILLE TAX PREPARER SENTENCED FOR FRAUDULENT TAX PREPARATION SCHEME

*– \$118,197 loss to the U.S. Treasury
– Stole \$34,272 in refunds from her clients*

LOUISVILLE, KY - **Linda Connie Lister**, age 54, of Louisville, Kentucky, was sentenced on July 17, 2007, to 18 months imprisonment in United States District Court, Louisville, Kentucky, David L. Huber, United States Attorney for the Western District of Kentucky, announced today. Thomas B. Russell, Judge, United States District Court, also sentenced Lister to 3 years supervised release following incarceration. In addition, restitution in the amount of \$34,272.71 was imposed.

Previously, on March 28, 2007, Lister, the owner and operator of L & W Tax Services, pleaded guilty to multiple counts of aiding and assisting in the false preparation and filing of tax returns of others and fraudulently forging endorsements on United States Department of Treasury checks.

In the Plea Agreement to which Lister pleaded guilty, she admitted to fraudulently preparing 34 separate income tax returns between August 2002 and March 2005, claiming false refunds in the amount of \$83,925.08, many of which were without the knowledge of the taxpayer on many occasions. Her fraud included showing the taxpayer one return but then filing a

separate fraudulent return without the taxpayer's knowledge. She generated fraudulent refunds by either making up or grossly overstating itemized deductions, such as business expenses, medical expenses, and charitable contributions.

Lister also pleaded guilty to stealing tax refund checks from her clients by having refund checks mailed to her office and then fraudulently forging the endorsements on at least 25 different U.S. Department of Treasury checks. The total amount of checks stolen by Lister was \$34,272.71.

The maximum potential penalties are up to 68 years imprisonment, a fine of \$2,800,000, and supervised release for a period of three years.

The case is being prosecuted by Assistant United States Attorney Bryan R. Calhoun, and it was investigated by the Internal Revenue Service, Criminal Investigation Division.

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